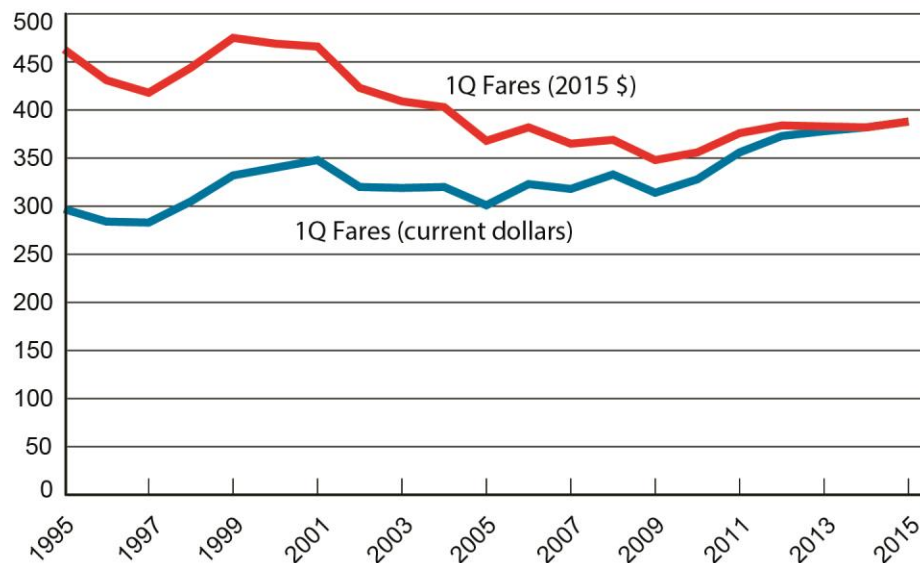


BTS 38-15
Monday, August 17, 2015
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1st-Quarter 2015 Air Fare Data

The average domestic air fare increased to \$388 in the first quarter of 2015, up 1.7 percent from \$382 in the first quarter of 2014, adjusted for inflation (Table 1), the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported today.

Figure 1. U.S. Average Domestic Fares, 1st Quarter 1995-2015



Source: Bureau of Transportation Statistics, [BTS Air Fares, Origin and Destination Survey](#)

BTS reports average fares based on domestic itinerary fares. Itinerary fares consist of round-trip fares, unless the customer does not purchase a return trip. In that case, the one-way fare is included. One-way trips accounted for 34 percent of fares calculated for the first quarter of 2015. Fares are based on the total ticket value, which consists of the price charged by the airlines plus any additional taxes and fees levied by an outside entity at the time of purchase. Fares include only the price paid at the time of the ticket purchase and do not include fees for optional services, such as baggage fees. Averages do not include frequent-flyer or “zero fares,” or abnormally high reported fares. Constant 2015 dollars are used for inflation adjustment.

Note: Frontier Airlines is expected to submit a data revision which may produce changes in fares at Denver and other airports where Frontier operates. Revisions will be posted when received.

Inflation-Adjusted Air Fares

First-quarter fares rose 7.9 percent from the recession-affected low of \$348 in 2009 to the first quarter of 2011. Since 2011, first-quarter fares have shown little change, increasing 3.3 percent from 2011 to 2015 (Table 1).

The first-quarter 2015 fare was down 18.2 percent from the average fare of \$475 in 1999, the highest inflation-adjusted first quarter average fare in the 20 years since BTS began collecting air fare records in 1995. The 18.2 percent decline took place while overall consumer prices rose 43.1 percent. Since 1995, inflation-adjusted fares declined 16.1 percent compared to a 56.0 percent increase in overall consumer prices (Table 2). See [BTS Air Fare web page](#) for historic data.

U.S. passenger airlines collected 74.6 percent of their total revenue from passenger fares during the first quarter of 2015, down from 1995 when 87.6 percent of airline revenue was received from fares (Table 1A).

Quarter-to-Quarter Change

In the three-year period from the first quarter of 2012 to the first quarter of 2015, inflation-adjusted fares increased 1.2 percent. In the two-year period from the first quarter of 2013 to the first quarter of 2015, inflation-adjusted fares increased 1.3 percent (Table 3).

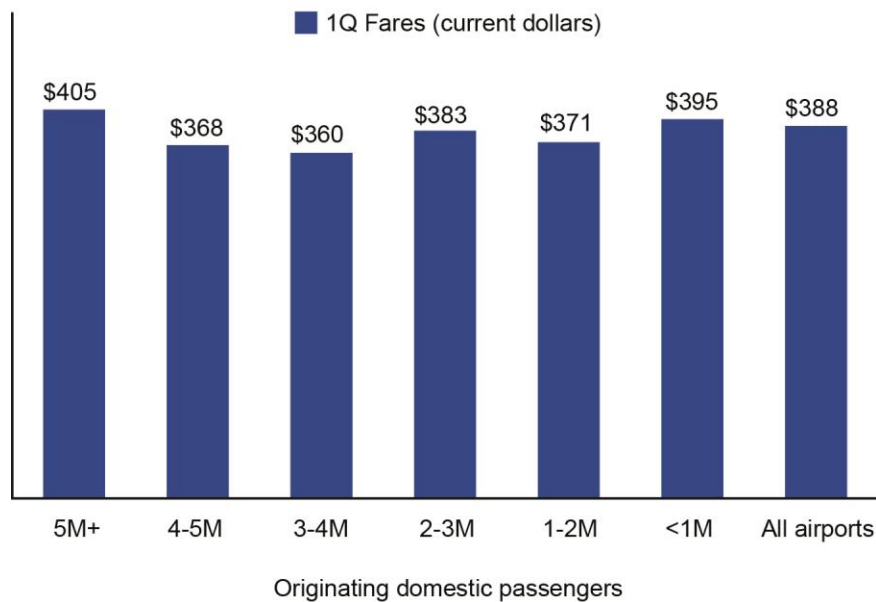
Unadjusted Air Fares

The \$388 first-quarter 2015 average fare, up 1.6 percent from the first quarter of 2014, is the highest average fare for any first quarter since 1995. Since 1995, unadjusted fares rose 30.8 percent (Table 4).

First-quarter 2015 fares were down 2.0 percent from the third quarter of 2014, which at \$396 was the all-time unadjusted high (Table 5).

Fares by Airport

Figure 2. Fares by Airport Size



Of airports grouped by the number of originating passengers in the first quarter of 2015, the 12 airports with more than 5 million originating passengers had the highest average fares (\$405). Airports with 3 to 4 million originating passengers had the lowest average fares of any group (\$360) (Table 6).

Tables listing the airports by group can be found on the [BTS Air Fare web page](#).

For additional data, see [Top 100 Airports](#) or [All Airports](#). Since average fares are based on the [Origin and Destination Survey](#) 10 percent ticket sample, averages for airports with smaller samples may be less reliable. Fares for Alaska, Hawaii and Puerto Rico airports are not included in rankings but are available on the web page. Second-quarter 2015 average fare data will be released Oct. 27.

Table 1. 1st Quarter Average Fare 1995-2015, Adjusted for Inflation

Year	Average Fare in constant 2015 dollars (\$)	Year-to-Year Percent Change in Average Fare (1Q to 1Q) (%)	Cumulative Percent Change in Average Fare (1Q 1995 to 1Q of each year) (%)
1995	463		
1996	431	-7.0	-7.0
1997	418	-2.9	-9.7
1998	444	6.1	-4.2
1999	475	7.0	2.5
2000	469	-1.2	1.3
2001	466	-0.7	0.6
2002	423	-9.3	-8.7
2003	409	-3.2	-11.6
2004	403	-1.4	-12.9
2005	368	-8.8	-20.5
2006	382	3.8	-17.5
2007	365	-4.4	-21.1
2008	369	0.8	-20.4
2009	348	-5.5	-24.8
2010	356	2.2	-23.1
2011	376	5.6	-18.8
2012	384	2.1	-17.1
2013	383	-0.1	-17.2
2014	382	-0.4	-17.5
2015	388	1.7	-16.1

Source: Bureau of Transportation Statistics, [BTS Air Fares](#) and [Origin and Destination Survey](#)

Note: Percent change based on unrounded numbers

Table 1A. Passenger Airline Revenue from Fares 1990-2015

Revenue from Passenger Fares as Percent of Total Scheduled Passenger Airline Operating Revenue*	
Year	(%)
1990	88.5
1995	87.6
2000	88.9
2001	87.8
2002	87.1
2003	84.9
2004	80.6
2005	78.4
2006	77.6
2007	77.7
2008	75.9
2009	73.7
2010	74.8
2011	74.6
2012	74.1
2013	74.6
2014	74.8
2015 (1Q)	74.6

Source: Bureau of Transportation Statistics, P-12

* From [Schedule P-12](#): Passenger Revenue (Fares) (Acct 3901) as a percentage of Total Operating Revenues (4999).

Table 2. Percent Changes to 2015 in Average Domestic Average Fares and the Inflation Rate* by Year Since 1995

(1st Quarter to 1st Quarter for fares; March to March for inflation)

Since 1st Quarter of ...	Duration in Years	Average Fare in constant 2015 dollars (\$)	Percent Change in Average Fare to 1stQuarter 2015 (%)	Inflation Rate Change to March 2015
2015		388		
2014	1	382	1.7	-0.1
2013	2	383	1.3	1.4
2012	3	384	1.2	2.9
2011	4	376	3.3	5.7
2010	5	356	9.1	8.5
2009	6	348	11.5	11.0
2008	7	369	5.4	10.6
2007	8	365	6.3	15.0
2006	9	382	1.6	18.2
2005	10	368	5.5	22.2
2004	11	403	-3.8	26.0
2003	12	409	-5.1	28.2
2002	13	423	-8.1	32.1
2001	14	466	-16.7	34.0
2000	15	469	-17.2	37.9
1999	16	475	-18.2	43.1
1998	17	444	-12.5	45.6
1997	18	418	-7.2	47.6
1996	19	431	-9.8	51.6
1995	20	463	-16.1	56.0

Source: Bureau of Transportation Statistics, [BTS Air Fares](#) and [Origin and Destination Survey](#)

* Rate calculated using Bureau of Labor Statistics Consumer Price Index

Table 3. Inflation-Adjusted Average Domestic Airline Fares by Quarter
Average Fare and Percent Change by Quarter

Quarter/Year	Average Domestic Fare (2015\$)	
	Average Fare in constant 2015 dollars (\$)	Quarter-to-Quarter Percent Change in Average Fare (%)
2Q 2011	387	2.9
3Q 2011	375	-2.9
4Q 2011	385	2.7
1Q 2012	384	-0.4
2Q 2012	396	3.1
3Q 2012	374	-5.4
4Q 2012	385	2.8
1Q 2013	383	-0.4
2Q 2013	382	-0.3
3Q 2013	393	2.9
4Q 2013	387	-1.6
1Q 2014	382	-1.3
2Q 2014*	396	3.6
3Q 2014*	396	0.2
4Q 2014*	393	-0.9
1Q 2015*	388	-1.1

Source: Bureau of Transportation Statistics, [BTS Air Fares](#) and [Origin and Destination Survey](#)

Note: Percent change based on unrounded numbers

* Fares for the most recent four quarters are in current dollars, not adjusted for inflation.

Table 4. Unadjusted 1st Quarter Average Fares, 1995-2015

Year	Average Fare in current dollars (\$)	Year-to-Year Percent Change in Average Fare (1Q to 1Q) (%)	Cumulative Percent Change in Average Fare (1Q 1995 to 1Q of each year) (%)
1995	297		
1996	284	-4.4	-4.4
1997	283	-0.2	-4.5
1998	305	7.5	2.6
1999	332	8.9	11.7
2000	340	2.6	14.6
2001	348	2.2	17.1
2002	320	-8.0	7.8
2003	319	-0.3	7.5
2004	320	0.3	7.9
2005	301	-5.9	1.5
2006	323	7.3	8.9
2007	318	-1.7	7.1
2008	333	4.9	12.3
2009	314	-5.8	5.7
2010	328	4.6	10.5
2011	356	8.4	19.8
2012	373	4.8	25.6
2013	378	1.4	27.3
2014	382	1.1	28.7
2015	388	1.6	30.8

Source: Bureau of Transportation Statistics, [BTS Air Fares](#) and [Origin and Destination Survey](#)

Note: Percent change based on unrounded numbers

Table 5. Unadjusted Average Domestic Airline Fares by Quarter
Average Fare and Percent Change by Quarter

Quarter/Year	Average Domestic Fare (current\$)	
	Average Fare in current dollars (\$)	Quarter-to-Quarter Percent Change in Average Fare (%)
2Q 2011	370	3.9
3Q 2011	361	-2.4
4Q 2011	368	2.1
1Q 2012	373	1.2
2Q 2012	385	3.2
3Q 2012	367	-4.6
4Q 2012	374	2.0
1Q 2013	378	1.0
2Q 2013	378	0.0
3Q 2013	390	3.2
4Q 2013	382	-2.0
1Q 2014	382	0.0
2Q 2014	396	3.5
3Q 2014	396	0.2
4Q 2014	393	-0.9
1Q 2015	388	-1.1

Source: Bureau of Transportation Statistics, [BTS Air Fares](#) and [Origin and Destination Survey](#)
Note: Percent change based on unrounded numbers

Table 6. Fares at Airports with 1,000,000+ Originating Passengers 1st Quarter 2015
Based on 1Q2015 U.S. Originating Domestic Passengers

Airport Groups based on 1Q 2015 Originating Passengers	Average Fare 1st Quarter 2015 (\$)	Percent of Total Passengers
5 million+	405	36
4-5 million	368	12
3-4 million	360	12
2-3 million	383	16
1-2 million	371	13
less than 1 million	395	11
Average Fare at All Airports	388	100

Source: Bureau of Transportation Statistics, [BTS Air Fares](#) and [Origin and Destination Survey](#)